

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1001(ss) be amended to read as follows:

- 1 Page 267, between lines 19 and 20, begin a new paragraph and
- 2 insert:
- 3 "SECTION 319. IC 22-4-2-12 IS AMENDED TO READ AS
- 4 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 12. (a) **Except as**
- 5 **provided in subsections (b) and (c),** "base period" means the first four
- 6 (4) of the last five (5) completed calendar quarters immediately
- 7 preceding the first day of an individual's benefit period. ~~Provided,~~
- 8 However, ~~That~~ for a claim computed in accordance with IC ~~1971,~~
- 9 22-4-22, the base period shall be the base period as outlined in the
- 10 paying state's law.
- 11 **(b) Effective July 1, 2002, "base period" also includes, in the case**
- 12 **of an individual who does not have sufficient wages in the base**
- 13 **period as set forth in subsection (a), the last four (4) completed**
- 14 **calendar quarters immediately preceding the first day of the**
- 15 **benefit year of the individual if the period qualifies the individual**
- 16 **for benefits under this chapter. Wages that fall within the base**
- 17 **period of claims established under this subsection are not available**
- 18 **for reuse in qualifying for a subsequent benefit year.**
- 19 **(c) In the case of a combined wage claim under an arrangement**
- 20 **approved by the United States Secretary of Labor, the base period**
- 21 **is the period applicable under the unemployment compensation**

1 law of the paying state.

2 (d) The department shall adopt rules under IC 4-22-2 to obtain
3 wage information if wage information for the most recent quarter
4 of the base period as set forth under subsection (b) is not available
5 to the department from regular quarterly reports of wage
6 information that is systemically accessible.

7 SECTION 320. IC 22-4-2-12.5 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 12.5. (a)
9 Notwithstanding section 12 of this chapter, for an individual who
10 during the "base period" as defined in that section has received
11 worker's compensation benefits under IC 22-3-3 for a period of
12 fifty-two (52) weeks or less, and as a result has not earned sufficient
13 wage credits to meet the requirements of IC 22-4-14-5, "base period"
14 means the first four (4) of the last five (5) completed calendar quarters
15 immediately preceding the last day that the individual was able to
16 work, as a result of the individual's injury.

17 (b) The provisions of section 12(b), 12(c), and 12(d) of this
18 chapter apply to this section beginning July 1, 2002.

19 SECTION 321. IC 22-4-10.5-7, AS ADDED BY P.L.290-2001,
20 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 JULY 1, 2002]: Sec. 7. (a) After making the deposit required by
22 subsection (b), the department shall deposit skills 2016 training
23 assessments paid to the department under this chapter in the skills 2016
24 training fund established by IC 22-4-24.5-1.

25 (b) After June 30, 2002, unless the board approves a lesser
26 amount, the department annually shall deposit the first four
27 hundred fifty thousand dollars (\$450,000) in skills 2016 training
28 assessments paid to the department under this chapter in the
29 special employment and training services fund established by
30 IC 22-4-25-1 for the training and counseling assistance described
31 in IC 22-4-25-1(f).

32 SECTION 322. IC 22-4-15-1, AS AMENDED BY P.L.290-2001,
33 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 JULY 1, 2002]: Sec. 1. (a) With respect to benefit periods established
35 on and after July 6, 1980, an individual who has voluntarily left the
36 individual's most recent employment without good cause in connection
37 with the work or who was discharged from the individual's most recent
38 employment for just cause is ineligible for waiting period or benefit
39 rights for the week in which the disqualifying separation occurred and
40 until the individual has earned remuneration in employment equal to
41 or exceeding the weekly benefit amount of the individual's claim in
42 each of eight (8) weeks. If the qualification amount has not been earned
43 at the expiration of an individual's benefit period, the unearned amount
44 shall be carried forward to an extended benefit period or to the benefit
45 period of a subsequent claim.

46 (b) When it has been determined that an individual has been

1 separated from employment under disqualifying conditions as outlined
2 in this section, the maximum benefit amount of ~~his~~ **the individual's**
3 current claim, as initially determined, shall be reduced by twenty-five
4 percent (25%). If twenty-five percent (25%) of the maximum benefit
5 amount is not an even dollar amount, the amount of such reduction will
6 be raised to the next higher even dollar amount. The maximum benefit
7 amount may not be reduced by more than twenty-five percent (25%)
8 during any benefit period or extended benefit period.

9 (c) The disqualifications provided in this section shall be subject to
10 the following modifications:

11 (1) An individual shall not be subject to disqualification because
12 of separation from the individual's employment if:

13 (A) the individual left to accept with another employer
14 previously secured permanent full-time work which offered
15 reasonable expectation of continued covered employment and
16 betterment of wages or working conditions; and thereafter was
17 employed on said job;

18 (B) having been simultaneously employed by two (2)
19 employers, the individual leaves one (1) such employer
20 voluntarily without good cause in connection with the work
21 but remains in employment with the second employer with a
22 reasonable expectation of continued employment; or

23 (C) the individual left to accept recall made by a base period
24 employer.

25 (2) An individual whose unemployment is the result of medically
26 substantiated physical disability and who is involuntarily
27 unemployed after having made reasonable efforts to maintain the
28 employment relationship shall not be subject to disqualification
29 under this section for such separation.

30 (3) An individual who left work to enter the armed forces of the
31 United States shall not be subject to disqualification under this
32 section for such leaving of work.

33 (4) An individual whose employment is terminated under the
34 compulsory retirement provision of a collective bargaining
35 agreement to which the employer is a party, or under any other
36 plan, system, or program, public or private, providing for
37 compulsory retirement and who is otherwise eligible shall not be
38 deemed to have left the individual's work voluntarily without
39 good cause in connection with the work. However, if such
40 individual subsequently becomes reemployed and thereafter
41 voluntarily leaves work without good cause in connection with the
42 work, the individual shall be deemed ineligible as outlined in this
43 section.

44 (5) An otherwise eligible individual shall not be denied benefits
45 for any week because the individual is in training approved under
46 Section 236(a)(1) of the Trade Act of 1974, nor shall the

individual be denied benefits by reason of leaving work to enter such training, provided the work left is not suitable employment, or because of the application to any week in training of provisions in this law (or any applicable federal unemployment compensation law), relating to availability for work, active search for work, or refusal to accept work. For purposes of this subdivision, the term "suitable employment" means with respect to an individual, work of a substantially equal or higher skill level than the individual's past adversely affected employment (as defined for purposes of the Trade Act of 1974), and wages for such work at not less than eighty percent (80%) of the individual's average weekly wage as determined for the purposes of the Trade Act of 1974.

(6) An individual is not subject to disqualification because of separation from the individual's employment if:

- (A) the employment was outside the individual's labor market;
- (B) the individual left to accept previously secured full-time work with an employer in the individual's labor market; and
- (C) the individual actually became employed with the employer in the individual's labor market.

(7) An individual who, but for the voluntary separation to move to another labor market to join a spouse who had moved to that labor market, shall not be disqualified for that voluntary separation, if the individual is otherwise eligible for benefits. Benefits paid to the spouse whose eligibility is established under this subdivision shall not be charged against the employer from whom the spouse voluntarily separated.

(8) An individual who is an affected employee (as defined in IC 22-4-43-1(1)) and is subject to the work sharing unemployment insurance program under IC 22-4-43 is not disqualified from participating in the work sharing unemployment insurance program for being an affected employee.

As used in this subsection, "labor market" means the area surrounding an individual's permanent residence, outside which the individual cannot reasonably commute on a daily basis. In determining whether an individual can reasonably commute under this subdivision, the department shall consider the nature of the individual's job.

(d) "Discharge for just cause" as used in this section is defined to include but not be limited to:

- (1) separation initiated by an employer for falsification of an employment application to obtain employment through subterfuge;
- (2) knowing violation of a reasonable and uniformly enforced rule of an employer;
- (3) unsatisfactory attendance, if the individual cannot show

- 1 good cause for absences or tardiness;
- 2 (4) damaging the employer's property through willful negligence;
- 3 (5) refusing to obey instructions;
- 4 (6) reporting to work under the influence of alcohol or drugs or
- 5 consuming alcohol or drugs on employer's premises during
- 6 working hours;
- 7 (7) conduct endangering safety of self or coworkers; or
- 8 (8) incarceration in jail following conviction of a misdemeanor or
- 9 felony by a court of competent jurisdiction or for any breach of
- 10 duty in connection with work which is reasonably owed an
- 11 employer by an employee.

12 SECTION 323. IC 22-4-18.3-6, AS AMENDED BY P.L.1-2002,
 13 SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JULY 1, 2002]: Sec. 6. (a) The board shall make recommendations to
 15 the unemployment insurance board for disbursements of funds from:

- 16 (1) the skills 2016 training fund established by IC 22-4-24.5-1;
- 17 **and**
- 18 **(2) the employment and training services administration fund**
- 19 **established by IC 22-4-24-1, to the extent the disbursements:**
 - 20 **(A) are from amounts credited to the account of this state**
 - 21 **pursuant to 42 U.S.C. 1103, as amended, by section 209 of**
 - 22 **the Temporary Extended Unemployment Compensation**
 - 23 **Act of 2002, which is Title II of the federal Job Creation**
 - 24 **and Worker Assistance Act of 2002, P.L.107-147; and**
 - 25 **(B) are for the upgrade of inhouse computer systems used**
 - 26 **for the administration of the state's unemployment**
 - 27 **compensation system and public employment offices.**

28 The unemployment insurance board may either approve or reject, but
 29 not modify, such a recommendation.

30 (b) If the unemployment insurance board approves a disbursement
 31 recommended by the board, the department of workforce development
 32 shall so disburse the funds.

33 (c) If the unemployment insurance board rejects a recommendation
 34 of the board, the unemployment insurance board may return the
 35 recommendation to the board and may include a written statement
 36 explaining the reasons for the rejection.

37 SECTION 324. IC 22-4-24.5-1, AS AMENDED BY P.L.1-2002,
 38 SECTION 92, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 JULY 1, 2002]: Sec. 1. (a) The skills 2016 training fund is established
 40 to do the following:

- 41 (1) Administer the costs of the skills 2016 training program
- 42 established by IC 22-4-10.5.
- 43 (2) Undertake any program or activity that furthers the purposes
- 44 of IC 22-4-10.5.
- 45 (3) Refund skills 2016 training assessments erroneously collected
- 46 and deposited in the fund.

(b) Subject to subsection (j), fifty-five percent (55%) of the money in the fund shall be allocated to the state educational institution established under IC 20-12-61. The money so allocated to that state educational institution shall be used as follows:

(1) An amount to be determined annually shall be allocated to the state educational institution established under IC 20-12-61 for its costs in administering the training programs described in subsection (b). However, the amount so allocated may not exceed fifteen percent (15%) of the total amount of money allocated under this subsection.

(2) After the allocation made under subdivision (1), forty percent (40%) shall be used to provide training to participants in joint labor and management building trades apprenticeship programs approved by the United States Department of Labor's Bureau of Apprenticeship Training.

(3) After the allocation made under subdivision (1), forty percent (40%) shall be used to provide training to participants in joint labor and management industrial apprenticeship programs approved by the United States Department of Labor's Bureau of Apprenticeship Training.

(4) After the allocation made under subdivision (1), twenty percent (20%) shall be used to provide training to industrial employees not covered by subdivision (2).

(c) Subject to subsection (j), the remainder of the money in the fund shall be allocated as follows:

(1) An amount not to exceed one million dollars (\$1,000,000) shall be allocated to the department of workforce development annually for technology needs of the department.

~~(2) An amount not to exceed four hundred fifty thousand dollars (\$450,000) shall be allocated annually for training and counseling assistance under IC 22-4-14-2 provided by state educational institutions (as defined in IC 20-12-0.5-1) or counseling provided by the department of workforce development for individuals who:~~

~~(A) have been unemployed for at least four (4) weeks;~~

~~(B) are not otherwise eligible for training and counseling assistance under any other program; and~~

~~(C) are not participating in programs that duplicate those programs described in IC 22-4-25-1(c).~~

Training or counseling provided under IC 22-4-14-2 does not excuse the claimant from complying with the requirements of IC 22-4-14-3. Eligibility for training and counseling assistance under this subdivision shall not be determined until after the fourth week of eligibility for unemployment training compensation benefits.

~~(3)~~ (2) An amount to be determined annually shall be set aside for the payment of refunds from the fund.

~~(4)~~ (3) The remainder of the money in the fund after the allocations provided for in subsection (b) and subdivisions (1) through ~~(3)~~ (2) shall be allocated to other incumbent worker training programs.

(d) The fund shall be administered by the board. However, all disbursements from the fund must be recommended by the incumbent workers training board and approved by the board as required by IC 22-4-18.3-6.

(e) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

(f) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(g) The fund consists of the following:

(1) Assessments deposited in the fund.

(2) Earnings acquired through the use of money belonging to the fund.

(3) Money received from the fund from any other source.

(4) Interest earned from money in the fund.

(5) Interest and penalties collected.

(h) All money deposited or paid into the fund is appropriated annually for disbursements authorized by this section.

(i) Any balance in the fund does not lapse but is available continuously to the department for expenditures consistent with this chapter.

(j) If the fund ratio (as described in IC 22-4-11-3) is less than or equal to ~~1.5~~ **1.0** or if the board determines that the solvency of the unemployment insurance benefit fund established by IC 22-4-26-1 is threatened, the funds assessed for or deposited in the skills 2016 training fund shall be directed or transferred to the unemployment insurance benefit fund.

SECTION 325. IC 22-4-25-1, AS AMENDED BY P.L.290-2001, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 1. (a) There is created in the state treasury a special fund to be known as the special employment and training services fund. All interest on delinquent contributions and penalties collected under this article, together with any voluntary contributions tendered as a contribution to this fund **and amounts deposited as required by IC 22-4-10.5-7(b)**, shall be paid into this fund. The money shall not be expended or available for expenditure in any manner which would permit their substitution for (or a corresponding reduction in) federal funds which would in the absence of said money be available to finance expenditures for the administration of this article, but nothing in this section shall prevent said money from being used as a revolving fund to cover expenditures necessary and proper

1 under the law for which federal funds have been duly requested but not
2 yet received, subject to the charging of such expenditures against such
3 funds when received. The money in this fund shall be used by the board
4 for the payment of refunds of interest on delinquent contributions and
5 penalties so collected, for the payment of costs of administration which
6 are found not to have been properly and validly chargeable against
7 federal

8 grants or other funds received for or in the employment and training
9 services administration fund, on and after July 1, 1945. Such money
10 shall be available either to satisfy the obligations incurred by the board
11 directly, or by transfer by the board of the required amount from the
12 special employment and training services fund to the employment and
13 training services administration fund. No expenditure of this fund shall
14 be made unless and until the board finds that no other funds are
15 available or can properly be used to finance such expenditures, except
16 that expenditures from said fund may be made for the purpose of
17 acquiring lands and buildings or for the erection of buildings on lands
18 so acquired which are deemed necessary by the board for the proper
19 administration of this article. The board shall order the transfer of such
20 funds or the payment of any such obligation or expenditure and such
21 funds shall be paid by the treasurer of state on requisition drawn by the
22 board directing the auditor of state to issue the auditor's warrant
23 therefor. Any such warrant shall be drawn by the state auditor based
24 upon vouchers certified by the board or the commissioner. The money
25 in this fund is hereby specifically made available to replace within a
26 reasonable time any money received by this state pursuant to 42 U.S.C.
27 502, as amended, which, because of any action or contingency, has
28 been lost or has been expended for

29 purposes other than or in amounts in excess of those approved by the
30 bureau of employment security. The money in this fund shall be
31 continuously available to the board for expenditures in accordance with
32 the provisions of this section and shall not lapse at any time or be
33 transferred to any other fund, except as provided in this article. Nothing
34 in this section shall be construed to limit, alter, or amend the liability
35 of the state assumed and created by IC 22-4-28, or to change the
36 procedure prescribed in IC 22-4-28 for the satisfaction of such liability,
37 except to the extent that such liability may be satisfied by and out of the
38 funds of such special employment and training services fund created
39 by this section.

40 (b) The board, subject to the approval of the budget agency and
41 governor, is authorized and empowered to use all or any part of the
42 funds in the special employment and training services fund for the
43 purpose of acquiring suitable office space for the department by way
44 of purchase, lease, contract, or in any part thereof to purchase land and
45 erect thereon such buildings as the board determines necessary or to
46 assist in financing the construction of any building erected by the state

or any of its agencies wherein available space will be provided for the department under lease or contract between the department and the state or such other agency. The commissioner may transfer from the employment and training services administration fund to the special employment and training services fund amounts not exceeding funds specifically available to the commissioner for that purpose equivalent to the fair, reasonable rental value of any land and buildings acquired for its use until such time as the full amount of the purchase price of such land and buildings and such cost of repair and maintenance thereof as was expended from the special

employment and training services fund has been returned to such fund.

(c) The board may also transfer from the employment and training services administration fund to the special employment and training services fund amounts not exceeding funds specifically available to the commissioner for that purpose equivalent to the fair, reasonable rental value of space used by the department in any building erected by the state or any of its agencies until such time as the department's proportionate amount of the purchase price of such building and the department's proportionate amount of such cost of repair and maintenance thereof as was expended from the special employment and training services fund has been returned to such fund.

(d) Whenever the balance in the special employment and training services fund is deemed excessive by the board, the board shall order payment into the unemployment insurance benefit fund of the amount of the special employment and training services fund deemed to be excessive.

(e) Subject to the approval of the board, the commissioner may use not more than five million dollars (\$5,000,000) during a program year for training provided by the state educational institution established under IC 20-12-61 to participants in joint labor and management apprenticeship programs approved by the United States Department of Labor's Bureau of Apprenticeship Training. Of the money allocated for training programs under this subsection, fifty percent (50%) is designated for industrial programs, and the remaining fifty (50%) percent is designated for building trade programs.

(f) The commissioner shall allocate an amount not to exceed four hundred fifty thousand dollars (\$450,000) annually for training and counseling assistance under IC 22-4-14-2 provided by state educational institutions (as defined in IC 20-12-0.5-1) or counseling provided by the department of workforce development for individuals who:

- (1) have been unemployed for at least four (4) weeks;**
- (2) are not otherwise eligible for training and counseling assistance under any other program; and**
- (3) are not participating in programs that duplicate those programs described in subsection (e).**

1 **Training or counseling provided under IC 22-4-14-2 does not**
 2 **excuse the claimant from complying with the requirements of**
 3 **IC 22-4-14-3. Eligibility for training and counseling assistance**
 4 **under this subdivision shall not be determined until after the**
 5 **fourth week of eligibility for unemployment training compensation**
 6 **benefits. The training and counseling assistance programs funded**
 7 **by this subsection must be approved by the United States**
 8 **Department of Labor's Bureau of Apprenticeship Training.**

9 SECTION 326. IC 22-4-26-5 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. (a) Money credited
 11 to the account of this state in the unemployment trust fund by the
 12 Secretary of the Treasury of the United States pursuant to 42 U.S.C.
 13 1103, as amended, may be requisitioned and used for the payment of
 14 expenses incurred for the administration of this article and public
 15 employment offices pursuant to a specific appropriation by the general
 16 assembly, provided that the expenses are incurred and the money is
 17 requisitioned after the enactment of an appropriation statute which:

18 (1) specifies the purposes for which such money is appropriated
 19 and the amounts appropriated therefor;

20 (2) **except as provided in subsection (e)**, limits the period within
 21 which such money may be obligated to a period ending not more
 22 than two (2) years after the date of the enactment of the
 23 appropriation statute; and

24 (3) limits the total amount which may be obligated during a
 25 twelve (12) month period beginning on July 1 and ending on the
 26 next June 30 to an amount which does not exceed the amount by
 27 which:

28 (A) the aggregate of the amounts credited to the account of
 29 this state pursuant to 42 U.S.C. 1103, as amended, during such
 30 twelve (12) month period and the twenty-four (24) preceding
 31 twelve (12) month periods; exceeds

32 (B) the aggregate of the amounts obligated by this state
 33 pursuant to this section and amounts paid out for benefits and
 34 charged against the amounts credited to the account of this
 35 state during such twenty-five (25) twelve (12) month periods.

36 (b) For the purposes of this section, amounts obligated by this state
 37 during any such twelve (12) month period shall be charged against
 38 equivalent amounts which were first credited and which have not
 39 previously been so charged, except that no amount obligated for
 40 administration of this article and public employment offices during any
 41 such twelve (12) month period may be charged against any amount
 42 credited during such twelve (12) month period earlier than the
 43 fourteenth preceding such twelve (12) month period.

44 (c) Amounts credited to the account of this state pursuant to 42
 45 U.S.C. 1103, as amended, may not be obligated except for the payment
 46 of cash benefits to individuals with respect to their unemployment and

for the payment of expenses incurred for the administration of this article and public employment offices pursuant to this section.

(d) Money appropriated as provided in this section for the payment of expenses incurred for the administration of this article and public employment offices pursuant to this section shall be requisitioned as needed for payment of obligations incurred under such appropriation and upon requisition shall be deposited in the employment and training services administration fund but, until expended, shall remain a part of the unemployment insurance benefit fund. The commissioner shall maintain a separate record of the deposit, obligation, expenditure, and return of funds so deposited. If any money so deposited is for any reason not to be expended for the purpose for which it was appropriated, or if it remains unexpended at the end of the period specified by the statute appropriating such money, it shall be withdrawn and returned to the Secretary of the Treasury of the United States for credit to this state's account in the unemployment trust fund.

(e) **This subsection applies only to amounts credited to the account of this state pursuant to 42 U.S.C. 1103, as amended, by section 209 of the Temporary Extended Unemployment Compensation Act of 2002, which is Title II of the federal Job Creation and Worker Assistance Act of 2002, P.L.107-147. Amounts appropriated for the payment of expenses incurred in the administration of this article and public employment offices pursuant to this section are not required to be obligated within the two (2) year period described in subsection (a)(2). Disbursements of amounts appropriated for the upgrade of the department of workforce development's inhouse computer system used in administering the state's unemployment compensation system and public employment offices are subject to the recommendation of the incumbent worker training board and the approval of the unemployment insurance board as required by IC 22-4-18.3-6.**

SECTION 327. IC 22-4-43 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]:

Chapter 43. Work Sharing

Sec. 1. The following definitions apply throughout this chapter:

(1) "Affected employee" means an individual who has been continuously on the payroll of an affected unit for at least three (3) months before the employing unit submits a work sharing plan.

(2) "Affected unit" means a specific plant, department, shift, or other definable unit of an employing unit:

(A) that has at least two (2) employees; and

(B) to which an approved work sharing plan applies.

(3) "Approved work sharing plan" means a plan that satisfies the purpose set forth in section 2 of this chapter and has the approval of the commissioner.

(4) "Commissioner" refers to the commissioner of workforce development appointed under IC 22-4.1-3-1.

(5) "Employee association" means an association that is a party to a collective bargaining agreement under which it may negotiate a work sharing plan.

(6) "Normal weekly work hours" means the lesser of:

(A) the number of hours in a week that an employee customarily works for the regular employing unit; or

(B) forty (40) hours.

(7) "Work sharing benefit" means benefits payable to an affected employee for work performed under an approved work sharing plan, including benefits payable to a federal civilian employee or former member of the armed forces under 5 U.S.C. 8500 et seq., but does not include benefits that are otherwise payable under this article.

(8) "Work sharing employer" means an employing unit or employer association for which a work sharing plan has been approved.

(9) "Work sharing plan" means a plan of an employing unit or employer association under which:

(A) normal weekly work hours of affected employees are reduced; and

(B) affected employees share the work that remains after the reduction.

Sec. 2. The work sharing unemployment insurance program seeks to:

(1) preserve the jobs of employees and the work force of an employer during lowered economic activity by reduction in work hours or workdays rather than by a layoff of some employees while other employees continue their normal weekly work hours or workdays; and

(2) ameliorate the adverse effect of reduction in business activity by providing benefits for the part of the normal weekly work hours or workdays in which an employee does not work.

Sec. 3. An employing unit or employee association that wishes to participate in the work sharing unemployment insurance program shall submit to the commissioner a written work sharing plan that the employing unit or representative of the employee association has signed.

Sec. 4. (a) Within fifteen (15) days after receipt of a work sharing plan, the commissioner shall give written approval or disapproval of the plan to the employing unit or employee association.

(b) The decision of the commissioner to disapprove a work sharing plan is final and may not be appealed.

(c) An employing unit or employee association may submit a

new work sharing plan not less than fifteen (15) days after disapproval of a work sharing plan.

Sec. 5. The commissioner shall approve a work sharing plan that meets the following requirements:

- (1) The work sharing plan must apply to:**
 - (A) at least ten percent (10%) of the employees in an affected unit; or**
 - (B) at least twenty (20) employees in an affected unit in which the work sharing plan applies equally to all affected employees.**
- (2) The normal weekly work hours of affected employees in the affected unit shall be reduced by at least ten percent (10%) but the reduction may not exceed fifty percent (50%) unless the fifty percent (50%) limit is waived by the commissioner.**

Sec. 6. A work sharing plan must:

- (1) identify the affected unit;**
- (2) identify each employee in the affected unit by:**
 - (A) name;**
 - (B) Social Security number; and**
 - (C) any other information that the commissioner requires;**
- (3) specify an expiration date that is not more than six (6) months after the effective date of the work sharing plan;**
- (4) specify the effect that the work sharing plan will have on the fringe benefits of each employee in the affected unit, including:**
 - (A) health insurance for hospital, medical, dental, and similar services;**
 - (B) retirement benefits under benefit pension plans as defined in the federal Employee Retirement Security Act (29 U.S.C. 1001 et seq.);**
 - (C) holiday and vacation pay;**
 - (D) sick leave; and**
 - (E) similar advantages;**
- (5) certify that:**
 - (A) each affected employee has been continuously on the payroll of the employing unit for three (3) months immediately before the date on which the employing unit or employer association submits the work sharing plan; and**
 - (B) the total reduction in normal weekly work hours is in place of layoffs that would have:**
 - (i) affected at least the number of employees specified in section 5(1) of this chapter; and**
 - (ii) would have resulted in an equivalent reduction in work hours; and**
- (6) contain the written approval of:**

1 (A) the employee association agent for each agreement that
2 covers any affected employee in the affected unit; or

3 (B) if there is not an agent, a representative of the
4 employees or employee association in the affected unit.

5 **Sec. 7.** If a work sharing plan serves the work sharing employer
6 as a transitional step to permanent staff reduction, the work
7 sharing plan must contain a reemployment assistance plan for each
8 affected employee that the work sharing employer develops with
9 the commissioner.

10 **Sec. 8.** The work sharing employer shall agree to:

11 (1) submit reports that are necessary to administer the work
12 sharing plan; and

13 (2) allow the department to have access to all records
14 necessary to:

15 (A) verify the work sharing plan before its approval; and

16 (B) monitor and evaluate the application of the work
17 sharing plan after its approval.

18 **Sec. 9. (a)** An approved work sharing plan may be modified if
19 the modification meets the requirements for approval under
20 section 6 of this chapter and the commissioner approves the
21 modifications.

22 (b) An employing unit may add an employee to a work sharing
23 plan when the employee has been continuously on the payroll for
24 at least three (3) months.

25 (c) An approved modification of a work sharing plan may not
26 change the expiration date.

27 **Sec. 10. (a)** An affected employee is eligible under section 12 of
28 this chapter to receive work sharing benefits for each week in
29 which the commissioner determines that the affected employee is:

30 (1) able to work; and

31 (2) available for more hours of work or full-time work for the
32 work sharing employer.

33 (b) An affected employee who otherwise is eligible may not be
34 denied work sharing benefits for lack of effort to secure work as set
35 forth in IC 22-4-14-3 or for failure to apply for available suitable
36 work as set forth in IC 22-4-15-2 from a person other than the
37 work sharing employer.

38 (c) An affected employee shall apply for benefits under
39 IC 22-4-17-1.

40 (d) An affected employee who otherwise is eligible for benefits
41 is:

42 (1) considered to be unemployed for the purpose of the work
43 sharing unemployment insurance program; and

44 (2) not subject to the requirements of IC 22-4-14-2.

45 **Sec. 11.** The weekly work sharing unemployment compensation
46 benefit due to an affected worker is determined in STEP FIVE of
47 the following formula:

STEP ONE: Determine the weekly benefit that would be due to the affected employee under IC 22-4-12-4.

STEP TWO: Subtract the number of the employee's work hours under the approved work sharing plan from the number of the employee's normal work hours.

STEP THREE: Divide the STEP TWO result by the number of the employee's normal work hours.

STEP FOUR: Multiply the number determined in STEP ONE by the amount determined in STEP THREE.

STEP FIVE: If the product determined under STEP FOUR is not a multiple of one dollar (\$1), round down to the nearest lower multiple of one dollar (\$1).

Sec. 12. (a) An affected employee is eligible to receive not more than twenty-six (26) weeks of work sharing benefits during each benefit year.

(b) The total amount of benefits payable under IC 22-4-12-4 and work sharing benefits payable under this chapter may not exceed the total payable for the benefit year under IC 22-4-12-4(a).

Sec. 13. The board shall adopt rules under IC 4-22-2 applicable to partially unemployed workers for determining their weekly benefit amount due under this chapter, subject to IC 22-4-12-5(b).

Sec. 14. During a week in which an affected employee who otherwise is eligible for benefits does not work for the work sharing employer:

(1) the individual shall be paid benefits in accordance with this chapter; and

(2) the week does not count as a week for which a work sharing benefit is received.

Sec. 15. During a week in which an employee earns wages under an approved work sharing plan and other wages, the work sharing benefit shall be reduced by the same percentage that the combined wages are of wages for normal weekly work hours if the other wages:

(1) exceed the wages earned under the approved work sharing plan; and

(2) do not exceed ninety percent (90%) of the wages that the individual earns for normal weekly work hours.

This computation applies regardless of whether the employee earned the other wage from the work sharing employer or other employer.

Sec. 16. While an affected employee applies for or receives work sharing benefits, the affected employee is not eligible for:

(1) extended benefits under IC 22-4-12-4; or

(2) supplemental federal unemployment compensation.

Sec. 17. The commissioner may revoke approval of an approved work sharing plan for good cause, including:

(1) conduct or an occurrence that tends to defeat the intent

1 and effective operation of the approved work sharing plan;
 2 (2) failure to comply with an assurance in the approved work
 3 sharing plan;
 4 (3) unreasonable revision of a productivity standard of the
 5 affected unit; and
 6 (4) violation of a criterion on which the commissioner based
 7 the approval of the work sharing plan."

8 Page 361, between lines 9 and 10, begin a new paragraph and insert:

9 "SECTION 412. [EFFECTIVE JULY 1, 2002] (a) **Notwithstanding**
 10 **IC 22-4-2-12, as amended by this act, the department of workforce**
 11 **development shall carry out the duties imposed upon it under**
 12 **IC 22-4-2-12 under interim written guidelines approved by the**
 13 **commissioner of the department of workforce development.**

14 (b) **This SECTION expires on the earlier of the following:**

15 (1) **The date rules are adopted under IC 22-4-2-12, as**
 16 **amended by this act.**

17 (2) **December 31, 2003.**

18 SECTION 413. [EFFECTIVE JULY 1, 2002] (a) **Notwithstanding**
 19 **IC 22-4-43-13, as added by this act, the unemployment insurance**
 20 **board shall carry out the duties imposed upon it under**
 21 **IC 22-4-43-13, as added by this act, under interim written**
 22 **guidelines approved by the commissioner of workforce**
 23 **development.**

24 (b) **This SECTION expires on the earlier of the following:**

25 (1) **The date rules are adopted under IC 22-4-43-13, as added**
 26 **by this act.**

27 (2) **December 31, 2003.**

28 SECTION 414. [EFFECTIVE JULY 1, 2002] **There is**
 29 **appropriated to the department of workforce development fifty**
 30 **million dollars (\$50,000,000) from amounts credited to the account**
 31 **of this state pursuant to 42 U.S.C. 1103, as amended, by section 209**
 32 **of the Temporary Extended Unemployment Compensation Act of**
 33 **2002, which is Title II of the federal Job Creation and Worker**
 34 **Assistance Act of 2002, P.L.107-147, for the department's use in**
 35 **upgrading the department's inhouse computer system used in**
 36 **administering the state's unemployment compensation system and**
 37 **public employment offices beginning July 1, 2002, and ending June**
 38 **30, 2007."**

39 Renumber all SECTIONS consecutively.

(Reference is to HB 1001(ss) as printed June 3, 2002.)

Representative Stilwell